

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6898

BILL NUMBER: SB 279

DATE PREPARED: Dec 18, 1998

BILL AMENDED:

SUBJECT: Prohibition against damages for uninsured drivers.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill prohibits the following individuals from recovering certain damages: (1) An individual who is operating a motor vehicle for which financial responsibility is not in effect at the time of an accident that is the cause of the individual's injuries. (2) An individual who is the owner of a motor vehicle for which financial responsibility is not in effect at the time of an accident that is the cause of the individual's injuries.

Effective Date: July 1, 1999.

Explanation of State Expenditures: If the state or a local governmental entity is a defendant in a suit in which the plaintiff meets either of the criteria above, this bill could reduce state and local costs due to the prohibition on the collection of certain types of damages sought by a plaintiff.

The Office of the Attorney General reports the amount of damages paid as a result of tort claims submitted and tort claim lawsuits filed against the State and by plaintiffs in tort and civil rights litigation between CY 1992 and CY 1997 as follows:

<u>CY</u>	<u>Damages Paid</u>
1997	\$3,438,230
1996	\$5,742,977
1995	\$6,362,071
1994	\$8,060,838
1993	\$4,048,126
1992	\$3,456,495

The amount paid includes tort claims paid at the time of claim submission, settlements upon the filing of lawsuits, and as a result of a court order. It also includes cases in both federal and state court.

Explanation of State Revenues: Passage of this bill will primarily affect tort claim actions between private parties. The filing fee for civil actions is \$100. Of this fee, 70% or \$70 is deposited in the State General Fund if the case is filed in a trial court. If civil case is filed in a city or town court, the State General Fund receives 55% of the \$100 filing fee.

Explanation of Local Expenditures:

Explanation of Local Revenues: Passage of this bill will primarily affect tort claim actions between private parties. However, if the state or a local governmental entity is a defendant in a suit outlined above, this bill could reduce state and local costs due to the prohibition on the collection of certain types of damages sought by a plaintiff.

If the case is filed in trial court, the county general fund receives \$27, or 27%. The other \$3, or 3%, is deposited in the general fund of the cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a circuit, superior, county, or municipal court located in the county. If the case is filed in a city or town court, the county general fund receives 20% while the city or town general fund receives \$25.

State Agencies Affected: Office of the Attorney General.

Local Agencies Affected: Local trial courts.

Information Sources: IC 33-19-7(concerning civil filing fees and their distribution); Barbara Crawford, Office of the Attorney General, (317) 232-6217.